



September 1, 2013

Dear Steering Committee Members:

You will remember that the Working Group on the Public University presented its draft report on April 7. Since that time, new tuition proposals have been adopted at William & Mary and at VCU, and funding for capital projects has been raised as an additional issue. We also undertook additional research into the history of restructuring. As a next step in the process, Carl Zeithaml and I, after conversation with others, developed the attached seven propositions for us to consider at the meeting on September 3. These seven propositions are intended to offer a framework for further discussion.

Terry

## Public University Principles

1. UVa embraces its mission, as envisioned by its Founder, that it is a public university and serves the public.
2. Being a public university in the 21<sup>st</sup> century is no longer what it was in the 19<sup>th</sup> and 20<sup>th</sup> centuries. In particular, the relative decline in state support is unlikely to be reversed. On the other hand, the U.S. federal government has become a major supporter of higher education through tax credits and deductions, student financial aid, and grants and contracts.
3. From its inception, UVa received private support as well as public support. UVa was among the first public universities to realize that a robust philanthropic program would be essential to attaining its goal of high-quality education. A good example of the close relationship between public and private funding is the University's physical assets. The Commonwealth continues to support capital projects, such as the renovation of New Cabell Hall, and private donors also provided many of the more recent buildings, such as the South Lawn buildings. The funding plan for the Rotunda restoration is a model of public-private partnership in capital projects.
4. The Commonwealth's restructuring plan for higher education recognized that it is more cost efficient for UVa to have greater autonomy. This autonomy in functions such as procurement and fringe benefits is not perceived as making the University any less a public institution nor is it seen as somehow incompatible with its public mission. Autonomous is not the opposite of public.
5. The University embraces the principles of affordability and accessibility.
  - This principle aligns directly with proposed strategy 12 on affordable excellence, which will in part address the financial stress of "middle-income squeeze."
  - The Commonwealth is a critical partner for UVa in this effort.Multiple models of tuition and financial aid have been proposed to foster affordable access, both in Virginia and in other states, and these models deserve thoughtful and deliberate discussion. Accessibility, however, does not preclude selecting students with the greatest academic achievement and potential.
6. UVa brings value to the Commonwealth in many ways that benefit the public – not only in terms of education and clinical care, but also in terms of economic development, job creation, and increased tax revenues. The higher the quality of the University, the more value it creates. Thus, the University best fulfills its public mission when it pursues excellence in everything it does. Excellence does not imply elitism.
7. UVa embraces its status, which was also foreseen by its Founder, as a national university. Its national stature brings value to the Commonwealth—an extra benefit to the taxpayers. By attracting non-resident students, federal funding, and philanthropic funding, and by its high visibility, the University brings distinction to the state. This distinction in turn helps to further the prosperity of Virginia. It is important to recognize that the University's public mission includes the public beyond the boundaries of the Commonwealth.